

1980



YOUR GM BENEFITS

A Handbook for Salaried Employees
In the United States

As a General Motors Salaried Employe . . .

you have one of the finest and most comprehensive employee benefit packages in industry. General Motors has been and continues to be a leader in providing a broad range of benefit programs to protect employees and their families. Today's GM benefits are an important factor in making your life more enjoyable and the future for yourself and your family more secure. This booklet highlights benefits which apply to GM salaried employees working in the United States.

This booklet presents general information only and is designed to give you a broad picture of some of the added values of working with General Motors. Any reference to the payment of benefits is conditioned upon your eligibility to receive them. Each of these programs has its own terms and conditions which in all respects control the benefits provided.

The Savings-Stock Purchase Program and Employee Stock Ownership Plan are subject to receipt of acceptable governmental rulings.

Group insurance benefits described in this booklet generally are provided to salaried employees of General Motors actively at work on or after September 17, 1979.

how to find the
information you want—

	If You Have Health Care Expenses	3
	When You Retire	11
	Saving With General Motors	21
	Stock Ownership in General Motors	25
	While You Are Disabled and Unable to Work	28
	In the Event of Death	35
	If You Are Laid Off	41
	General Information About Your Benefits	45
	Information Related to the Employee Retirement Income Security Act of 1974 (ERISA)	49



If You Have Health Care Expenses

The Insurance Program provides protection for you and your eligible dependents against a wide range of Health Care expenses while you are an active employee and after your retirement. The basic coverages are identical to those provided most hourly employees. The Comprehensive Medical Expense Insurance Program is additional coverage for salaried employees which provides major medical benefits over and above those available under the basic coverages.

Coverages for benefits shown below are provided through various carriers such as local Blue Cross and Blue Shield plans, the Metropolitan Life Insurance Company and the Connecticut General Life Insurance Company.

Alternative coverage, providing benefits which may differ from those shown below, is offered in some areas at employee option through a health maintenance organization (HMO) or other group practice plan. Descriptive materials of benefits provided under alternative coverages are available at the insurance office at your GM employing location and from the HMO or group practice plan.

BASIC HEALTH CARE COVERAGES

Hospital Coverage Provides . . .

payment of charges for:

- up to 365 days of needed care in a semi-private room in a participating hospital for general conditions, including maternity care;
- up to 45 days of needed care in a hospital for nervous and mental conditions, or in an approved residential substance abuse treatment facility;
- up to 730 days of needed care (other than custodial care) in an approved nursing home for general conditions--up to 90 days for nervous and mental conditions;
- most medical needs in a hospital or approved facility, such as supplies, drugs, dressings, anesthesia, x-ray, laboratory tests, intensive care, and routine nursery care;
- most services in the outpatient department of a hospital, such as treatment of accidental injuries and certain medical emergencies, surgery, physical therapy (up to 60 treatments per condition per year, which also may be performed in an approved facility other than a hospital), and use of an artificial kidney machine, iron lung and similar equipment;
- up to 35 outpatient treatments per year in an approved substance abuse treatment facility (limited to 140 lifetime treatments).

- medically necessary transfers by ambulance between hospitals and for transfers from hospitals to approved facilities for a CAT scan;
- services under approved home care programs, including payment for necessary skilled nursing and home health aides;
- up to \$1,000 per calendar year for outpatient psychiatric services when billed by an approved facility (see next section);
- up to \$100 per day for room, board, and all covered services in a non-participating general acute care hospital (up to \$15 per day for other than a general acute care hospital).

Medical-Surgical Coverage

Provides . . .

payment of reasonable and customary charges for:

- surgery and anesthesia, including pre- and post-operative care
- obstetrical delivery including pre- and post-natal care
- in-hospital consultation and technical surgical assistance
- in-hospital medical care by the doctor in charge of the case and doctor's medical visits at the rate of two per week for up to 730 days

in an approved nursing home for general conditions:

- radiation therapy and chemotherapy for malignant conditions;
- necessary diagnostic x-ray laboratory and pathology services
- laboratory testing for an annual pap smear,
- outpatient treatment of accidental injuries and certain medical emergencies;
- outpatient psychiatric services, including family counseling (subject to a copayment of 10% for the sixth through the tenth visits and a 25% copayment for all subsequent visits) and benefits of up to \$75 for psychological testing. Payment is limited to \$1,000 per calendar year in combination with expenses for outpatient psychiatric services in an approved facility.

Prosthetic and Durable Medical Equipment Benefits

Hospital and medical-surgical coverages provide for the purchase, fitting, and repair of certain external prosthetic appliances which replace a body part or the functions of a permanently malfunctioning body part. These prosthetic appliances must be prescribed by a licensed physician and furnished and billed by a hospital or facility approved by the carrier.

Benefits also are provided for the purchase or rental of certain durable medical equipment (such as hospital beds, crutches, or wheelchairs) when prescribed by a licensed physician. This equipment must be necessary for the treatment of a medical condition and be provided and billed by a hospital, nursing home, or professional provider such as a pharmacy or medical supply house.

Prescription Drug Benefits

Benefits are provided for the purchase of drugs which require prescription by a licensed physician under federal law. Benefits also are provided for injectable insulin and disposable syringes and needles when prescribed to inject the insulin. A \$3 copayment is applicable for each prescription order or refill.

Drug quantities are limited to a maximum of a 34-day supply per prescription, except for

certain maintenance drugs which may be dispensed in 100 or 200 unit doses. Disposable syringes and needles are limited to a 1-month supply when prescribed with a 1-month supply of insulin or, if greater, 100 syringes and needles when prescribed with a 3-month supply of insulin.

Drugs purchased from a participating pharmacy will be billed directly to the carrier. If drugs are purchased from a non-participating pharmacy, you will be required to pay the full charge. You then should file a claim with your carrier. You will be reimbursed 75% of the reasonable and customary charge, less the \$3 copayment for each prescription.

Hearing Aid Benefits

To obtain benefits you must first be examined by an ear specialist (otologist or otolaryngologist) to determine if your hearing problem is caused by a condition which may be corrected by use of a hearing aid. **The cost of this examination is not a covered service.**

If it is determined that your hearing problem may be corrected by use of a hearing aid, benefits will be provided for the reasonable and customary charges for the following services only when obtained from a participating provider once during any period of 36 consecutive months:

- audiometric examination;
- hearing aid evaluation test (up to \$48, subject to change each October); and
- one hearing aid (acquisition cost and dispensing fee). However, only the particular hearing aid prescribed as a result of the hearing aid evaluation test will be covered.

Covered benefits will include an ear mold, necessary fitting and adjustment of the hearing aid, and a follow-up examination to determine the effectiveness of the hearing aid.

Dental Coverage

Benefits will be provided up to an annual maximum of \$1,000 per person for other than orthodontics (teeth straightening) during any benefit year (October 1 through September 30), and up to a lifetime maximum of \$300 per person for orthodontics for individuals under age 19.

Metropolitan Life Insurance Company is the dental carrier for Michigan employees, retirees and eligible surviving spouses. Connecticut General Life Insurance Company is the dental carrier for employees, retirees and eligible surviving spouses from employing locations outside Michigan. Benefits are based on reasonable and customary charges of all dentists as determined by the carrier.

Covered Dental Services

Benefits are payable at 100% of the reasonable and customary charge for:

- oral examinations and prophylaxis (cleaning of teeth), but not more than twice in any benefit year;
- topical application of fluoride for persons under age 20;
- emergency treatment for temporary relief of pain.

Benefits are payable at 90% of the reasonable and customary charge for:

- dental x-rays, including full mouth x-rays (but not more than once in any period of 36 consecutive months), and bitewing x-rays (but not more than twice in any benefit year);
- extractions and oral surgery;
- amalgam, silicate, acrylic, synthetic porcelain, and composite fillings;
- general anesthetics and intravenous sedation when medically necessary and administered in connection with oral or dental surgery;
- endodontic (nerve and pulp) and periodontal (gum) treatment;
- repair of crowns, bridgework or dentures; and relining or rebasing of dentures more than six months after installation, but not more than one relining or rebasing in any period of 36 consecutive months;
- inlays, onlays, gold fillings or crowns, but only when the tooth cannot be restored with an amalgam or other filling.

The remaining 10% of the reasonable and customary charge is a copayment payable by you.

Benefits are payable at 50% of the reasonable and customary charge for:

- initial installation of fixed bridgework;
- initial installation of removable dentures, including any adjustments during the six month period following installation;
- replacement of an existing denture or fixed bridgework, but only when:
 - (a) the replacement or addition of teeth is required to replace one or more teeth extracted after the existing denture or bridgework was installed; or
 - (b) the existing denture or bridgework cannot be made serviceable and, if it was installed under this coverage, at least five years have elapsed prior to the replacement; or
 - (c) the existing denture is an immediate temporary denture which cannot be made permanent and replacement by a permanent denture takes place within 12 months from the date of initial installation of the immediate temporary denture;

- orthodontic (teeth straightening) procedures and treatment (including related oral examinations) for persons under age 19.

The remaining 50% of the reasonable and customary charge is a copayment payable by you.

Vision Coverage

Benefits will be provided for the reasonable and customary charges (less copayment) for:

- vision examination by an ophthalmologist or optometrist once during any period of 12 consecutive months (\$5 copayment). Under certain limited conditions a benefit may be payable for a second examination within 60 days of the first examination;
- lenses once during any period of 12 consecutive months (\$7.50 copayment).
- contact lenses when vision cannot be corrected to 20/70 in the better eye except by their use or when certain irregularities in the shape of the eye require their use (\$7.50 copayment). When contact lenses are prescribed for any other reason \$35 less the \$7.50 copayment will be the maximum.

benefit. Benefits will be provided for the reasonable and customary charges (less copayment) for contact lenses following cataract surgery unless otherwise provided under medical-surgical coverage.

- frames will be provided once during any period of 24 consecutive months (\$7.50 copayment). If you obtain your frames from a participating provider and you select frames from a display the provider will show you.

there will be no expense to you other than the copayment. However if you select frames not included in the display, or obtain your frames from a non-participating provider, up to \$15 less the \$7.50 copayment will be the maximum benefit.

The total copayment for each covered individual during any period of 12 consecutive months will not exceed \$12.50 (\$5 for a vision examination and \$7.50 for lenses and frames combined)

COMPREHENSIVE MEDICAL EXPENSE INSURANCE PROGRAM

Comprehensive medical expense insurance coverage provides you your eligible dependents, retirees, and eligible surviving spouses with major medical benefits. This coverage is offered through the Connecticut General Life Insurance Company. It adds to the protection you are provided by the basic coverages described earlier.

You pay part of the cost of this additional coverage, based on the schedule below. General Motors pays the major portion of the cost.

Monthly Contributions		
Coverage	Active Employee	Retiree or Surviving Spouse
Single	\$.45	\$ 1.15
Two Party	1.10	2.25
Family	1.30	2.75

Major Medical Benefits

Major medical benefits offer additional protection when the basic benefits described earlier have been exhausted or are not applicable.

Major medical benefits cover reasonable charges less a deductible amount as described later for necessary medical services and supplies including those listed which are not generally covered by your basic coverages.

- physicians' non-surgical services out of hospital;
- up to \$25 a day toward the difference in cost between a semi-private and a private hospital room;
- professional private duty nursing care (up to \$25 a day when care is determined to be primarily custodial in nature);
- blood;
- professional ambulance service when medically necessary;
- semi-private hospital charges after the maximum duration allowed under basic coverages (generally 365 days) has been exhausted;
- semi-private nursing home charges for acute therapeutic care after the maximum duration allowed under basic coverages (generally 730 days) has been exhausted;
- dental work and dentures made necessary by an accident (to the extent not covered under the dental plan);
- inoculations;
- physical examinations (limited to one a year for persons over age 6) including laboratory tests;
- chiropractic services (up to 20 visits within the initial 3 months of treatment);
- voluntary sterilizations;

- * copayments made under basic coverage for prescription drugs;
- * up to \$150 a day, less amounts payable by basic coverages, for confinement in a hospital operated primarily for care of nervous or mental conditions;
- * up to \$25 a day for custodial care in an approved facility, or for custodial care rendered at home by a professional private duty nurse

Deductible Amount

You pay a deductible amount of \$50 toward covered expenses which are incurred each calendar year for the same individual. This \$50 is called the individual deductible amount. In meeting this amount, you can add up all of your covered expenses for the same individual, whether they relate to one condition or to a number of different conditions.

However, if covered expenses incurred by two or more family members equal \$100 (the family deductible amount), no additional deductible amount will be applied against expenses incurred by any of your other family members for that calendar year. No more than \$50 of covered expenses for one family member can be applied toward the \$100 family deductible amount.

Any covered expenses incurred in October, November or December of any calendar year

which are applied to the deductible amount for that year and therefore are not reimbursable may be applied to the deductible amount for the following calendar year.

After You Pay the Deductible Amount, Your Insurance Pays 80% . . .

of the next \$2,500 of covered expenses incurred during one calendar year and 100% of covered expenses which exceed \$2,500. Covered expenses for outpatient psychiatric care continue to be payable at 80%, however.

Calendar Year Benefit Limitations

Covered expenses for outpatient psychiatric care include only those charges for services rendered after all basic benefits have been exhausted. Reimbursement is limited to \$4,000 per year for non-psychotic conditions.

Covered expenses for outpatient allergy testing and treatment are limited to benefits of \$2,000 per year.

The maximum reimbursement amount is \$50,000 per calendar year for each individual. There is no lifetime maximum.

GENERAL INFORMATION ABOUT YOUR HEALTH CARE COVERAGES

Effect of Medicare

If you or one of your dependents is enrolled for Medicare, the GM basic Health Care and major medical benefits will be reduced by benefits payable for the same services under Medicare. It is important for both you and your spouse to enroll for Medicare when first eligible. In the event of your death, your surviving spouse will not be eligible for Corporation contributions for any GM Health Care coverages if he or she is eligible but not enrolled for Medicare Part B at or after age 65.

You become eligible for Medicare at age 65, whether or not you choose to continue working. However, if you continue working after age 65, Social Security will not notify you of your eligibility to enroll for Medicare. It is your responsibility to contact the local Social Security Office to apply for Medicare if you continue to work after age 65. It is suggested this contact be made three months prior to attaining age 65. This will allow sufficient time to process your application so you will not miss your initial opportunity for

enrollment. If you do not enroll for Medicare when first eligible, there is a 10% penalty in the monthly amount of the Medicare Part B premium cost to you for each year you delay enrolling.

Coordination of Benefits

A coordination of benefits provision is included in all Health Care coverages under the GM Insurance Program. As a result, benefits payable under this Program, when combined with any other group plan benefits, are limited to the total allowable expenses incurred by the patient during any claim determination period. The purpose of this provision is to avoid duplicate payment of benefits in the event an individual is covered by more than one employer plan.

Sponsored Dependents

Your sponsored dependents (generally aged parents) may have the same Health Care coverages as you have except that dental, vision and major medical coverages are not available to sponsored dependents. You pay the full cost for sponsored dependent coverages.

Exclusions and Limitations

Certain services and charges with respect to Health Care coverages are excluded or limited. A complete description of exclusions and limitations applicable to each benefit provided under the GM Health Care coverages may be found in the appropriate benefit certificates and any riders thereto or similar documents provided by the carriers.

How to Claim Benefits

Basic Hospital, Medical-Surgical, and Prescription Drug Claims

If your carrier is a Blue Cross or Blue Shield plan, just show your identification card when you go to the hospital, residential or outpatient treatment facility, physician or other provider of covered services. No deposit should be required for covered services in Blue Cross

participating hospitals or approved facilities. The hospital or facility is paid directly by Blue Cross. Blue Shield generally pays physicians directly. In any situation where a provider of a service is not paid directly by Blue Cross-Blue Shield, you should submit the charges to your local Blue Cross-Blue Shield plan office.

If your carrier is Metropolitan Life Insurance Company, obtain a claim form from the insurance office at your GM location or Metropolitan Life. Complete the upper portion of the form and have the hospital, residential or outpatient treatment facility, physician, or other provider of covered services complete the lower portion. Either you or the provider can submit the completed form to Metropolitan Life. Payment will be made directly to the provider unless you have paid all or part of the charges for service. In that case, Metropolitan Life will pay you. In the case of hospital coverage provided by Metropolitan Life, payment will be made to you, unless you authorize Metropolitan Life to pay the facility directly.

Hearing Aid Claims

Participating providers generally will have the necessary claim forms and will be paid directly by the carrier. Benefits are payable only if you obtain hearing aid services from a participating provider. Ask the provider if he or she is participating BEFORE you receive services. If you need the name of a participating provider, inquire at your GM employing location, the Blue Shield plan in which you are enrolled, or Metropolitan Life, as may be applicable.

Dental Claims

Dental claim forms and instructions are available to dentists in areas where General Motors has employees. In addition, claim forms are available at the insurance office at your GM location and from the carrier for your area.

If a course of treatment is expected to involve dental expenses amounting to \$200 or more, your dentist should file with the carrier a description of the procedures to be performed and

an estimate of the charges prior to the commencement of treatment.

The carrier will notify the dentist of estimated benefits payable with consideration given to alternate procedures that may be performed in order to accomplish the desired results.

You should discuss with your dentist the treatment plan, the fee and the estimated dollar amount of benefits BEFORE treatment begins.

Vision Claims

Metropolitan Life Insurance Company is the vision coverage carrier for all employees. A claim form may be obtained from the insurance office at your GM location or from a participating provider. Complete your portion of the form and have the remaining portion completed by the provider. The completed form should be sent to Metropolitan Life Benefits will be paid directly to the provider to the extent that you have not paid all or part of the charges for services. In that case, Metropolitan Life will pay you.

Comprehensive Medical Expense Insurance Program Claims

You should file a claim when your out-of-pocket expenses exceed the \$50 deductible amount for an individual or \$100 for your family. However, if your covered expenses are small, you may find it more convenient to postpone filing until the end of the calendar year. **In any event, claims should be filed no later than 90 days following the end of the calendar year in which expenses were incurred.**

When you are ready to file a claim, you should obtain the necessary forms from your insurance office. There are things you should do routinely before you reach the point when you know you will have a claim to file:

- keep all bills and receipts for medical services incurred by you or your insured dependents;
- keep bills and receipts properly identified separated by individuals and in chronological order;
- see that bills or receipts are itemized and include patient's name, description of service

or medical supply, date of service or purchase and charges incurred.

- keep basic coverage vouchers, and if applicable, Medicare Explanation of Benefit vouchers, with appropriate bills or receipts;
- be sure drug receipts include prescription number, name of patient, date of purchase and amount of charge;
- be sure that receipts for medical supplies, equipment, private duty nursing, physical therapy, or other services not performed by a physician are supported by certification of the attending physician that such supplies, equipment or services are medically necessary.

It is your responsibility to accumulate your bills, receipts, and other supporting documents for a claim. By planning ahead, you can help yourself to obtain all the benefits to which you are entitled with a minimum of time and effort.

If you are in doubt as to whether you should file a claim, you are urged to submit a claim and allow the carrier to determine benefits which might be payable.

Subrogation

In the event that any payment of benefits is made by a Health Care carrier under the GM Insurance Program for services which are legally determined to be payable by a third party, such carrier shall acquire all of the employee's or dependent's rights of recovery as a result of a settlement or judgment brought against any person or organization, except against insurers on policies issued in the name of the employee or dependent.

Certificates

The foregoing is intended only as an outline of your GM Health Care coverages. Actual governing provisions and specific exclusions are contained in the applicable benefit certificates and any riders thereto or similar documents provided by the carriers. Certificates will be made available to you upon request from the insurance office at your GM location or from your local Blue Cross or Blue Shield plan, Metropolitan Life, or Connecticut General, as may be applicable.

EXPLANATION OF CERTAIN TERMS APPLICABLE TO HEALTH CARE COVERAGES

Carrier . . .

Any entity through which benefits are paid or coverage is underwritten, such as a Blue Cross plan or a commercial insurance company.

Approved Facility or Treatment Program . . .

A facility or a treatment program that has met criteria established by the local carrier to provide certain services covered by the GM Insurance Program. The following are examples of facilities or treatment programs which must be approved in order for benefits to be paid:

- * hospitals
- * nursing homes
- * outpatient psychiatric care facilities
- * substance abuse treatment facilities
- * outlets for prosthetic appliances
- * free-standing physical therapy facilities
- * home care programs

If you are not sure as to the approved status of a facility or treatment program, you may seek advice from the insurance office at your GM location or request information from your local carrier.

Copayment . . .

A part of the charge for services which you must pay. Most health care expenses are paid in full by the appropriate carrier. However, you must pay part of the charge or a "copayment" for certain services such as outpatient psychiatric care, prescription drugs, dental care and vision care.

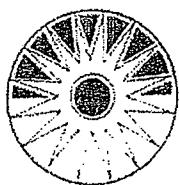
Participating Provider . . .

A person (such as a doctor) or a facility (such as a hospital) that provides health care services. Providers are considered to be "participating" when they have signed an agreement with the carrier to accept as payment in full whatever the carrier determines to be an appropriate charge for services rendered.

You may be uncertain about the participating status or whether there is any need for participation by any health care provider in your local plan area. If in doubt, contact your local carrier or the insurance office at your GM location.

Reasonable and Customary Charge . . .

An amount determined by the carrier — it is the usual amount charged by providers for a specific service in a geographic area.



When You Retire

YOUR GM RETIREMENT PROGRAM IS MADE UP OF TWO PARTS

Part A . . .

is non-contributory. General Motors pays the entire cost. Benefits provided under Part A of the Program are comparable to those provided under the Hourly Pension Plan. This assures salaried employees that they will receive monthly retirement benefits at least equal to those provided to hourly employees. Part A provides monthly benefits for all employees who have 10 or more years of credited service and retire under the Program, or leave General Motors before age 70. There is no 10 year minimum credited service requirement if you retire at age 70. Part A consists of:

- * basic benefits,
- * temporary benefits, and
- * supplements

Part B . . .

is contributory. To receive full Part B benefits, you must contribute at all times while eligible and leave your contributions in the Program until retirement. Part B provides you with an opportunity to build up substantial additional monthly benefits, consisting of:

- * supplementary benefits, which are based on your years of credited service, your average monthly base salary over the highest 60 months during the 120 months immediately preceding retirement, or age 65 if earlier, and
- * primary benefits, which are based on the amount you contribute

While you must contribute to participate in Part B of the Program, General Motors pays the entire cost of supplementary benefits, and most of the cost of primary benefits.

YOU ARE ELIGIBLE TO PARTICIPATE . . .

in Part A automatically when you become a GM salaried employee.

You are eligible to contribute under Part B when you have:

- * attained age 25, and
- * have 6 months of continuous service.

Your Part B contribution is 2% of monthly base salary in excess of \$1,000. When you elect to participate in Part B, your contribution is deducted from your salary each month.

YOU ARE ELIGIBLE TO RETIRE . . .

under normal retirement provisions when you attain age 65. Retirement is automatic at age 70.

You may retire at any age if you have 30 or more years of credited service.

If you have 10 or more years of credited service, you may retire:

- * as early as age 65, or
- * at any age in case of total and permanent disability.

CREDITED SERVICE

Your credited service is used in determining your Part A benefits and any Part B supplementary benefit.

Before October 1, 1950

your credited service includes all periods of employment with General Motors and certain periods of absence as explained in the Program.

After October 1, 1950

your credited service includes all periods of employment for which you are paid.

If you are on an approved military leave, or on a disability leave and receive workers compensation, you may receive credited service for such absence.

If you were on layoff at any time during 1951 through 1967, upon application you may receive credited service for all or part of such absence. The amount of credited service you will receive will depend on your years of credited service as of December 31, 1967, December 31, 1973, or October 1, 1979, as may be applicable.

Commencing with the calendar year 1968, you are eligible for credited service for each calendar month of disability leave or layoff in a year during which you receive pay for periods totaling at least one month. After 1970, up to eleven months may be credited for a disability leave or layoff which continues into the following year.

If you were on a special leave of absence because of pregnancy between October 1, 1950

and before January 1, 1968 upon application you may receive four months credited service for each such absence.

After age 65, credited service will accrue only until you acquire 10 years of credited service.

Foundry/Asbestos Service

An employee with credited service on or after October 1, 1979 who at retirement has more than 10 years of credited service accrued in certain salaried positions in foundry or asbestos operations at designated GM locations will receive additional credited service.

Annual Statement

Each year you will be given a statement showing your total credited service and contributions up to the end of the preceding calendar year.

If you have any question concerning the correctness of your statement, contact your personnel department.

Loss of Credited Service

You will lose all credited service under the Retirement Program if you quit, are discharged, or are separated for any other reason. However, if you are reemployed by General Motors, your credited service may be reinstated upon proper application. If you have prior credited service which has not been reinstated, you should make application for its reinstatement. Application forms are available at the personnel department.

ALTERNATIVE "SERVICE" TO DETERMINE VESTED BENEFIT

If you lose credited service before age 70 and have less than 10 years of credited service but have 10 years of "service" as determined below, you would be eligible for a vested Part A basic benefit. For example, if you have only 8 years of credited service but have 10 years of "service" the 10 years "service" would provide you a vested Part A basic benefit. The monthly amount of the benefit would be based on 8 years of credited service, however.

You first become eligible to be covered for the "service" provision when you attain age 25, or complete 1 year of "service", whichever is later. You get 1 year of "service" when you complete 750 hours of "service" in a 12 consecutive month period, beginning with your employment date. You complete an hour of "service" for each hour for which you are paid by General Motors for working or for having been entitled to work. No "service" is granted for any period of

employment prior to age 22, or for any year in which you are paid by General Motors for working fewer than 750 hours.

A 1-year break in "service" will occur if you do not complete 375 hours of "service" in any 12 consecutive month period. Hours paid for

vacation and sickness or disability, which are not worked, may be counted to prevent a break in service. You will lose your years of "service" if the number of consecutive 1-year breaks equals or exceeds the years of "service" before such break.

RETIREMENT AT AGE 62 OR LATER

If you retire at or after age 62, you may receive the following benefits:

Part A Basic Benefit

Your monthly Part A basic benefit is determined by your basic benefit rate times your years of credited service.

Your basic benefit rate depends on your benefit class code (which is based on the maximum monthly base salary rate for your salaried position) and your retirement date, as follows:

Benefit Class Code	Retirement Date and Monthly Basic Benefit Rate Per Year of Credited Service								
	10-1-79 through 1-1-80	2-1-80 through 7-1-80	8-1-80 through 9-1-80	10-1-80 through 1-1-81	2-1-81 through 7-1-81	8-1-81 through 9-1-81	10-1-81 through 1-1-82	2-1-82 through 7-1-82	8-1-82 and after
A	\$ 15.75	\$ 15.95	\$ 16.20	\$ 16.55	\$ 16.85	\$ 17.15	\$ 17.55	\$ 17.85	\$ 18.20
B	16.00	16.20	16.45	16.80	17.10	17.40	17.80	18.10	18.45
C	16.25	16.45	16.70	17.05	17.35	17.65	18.05	18.35	18.70
D	16.50	16.70	16.95	17.30	17.60	17.90	18.30	18.60	18.95

Most salaried employees have the "D" benefit class code. For example, if you retire October 1, 1981, at age 65 with a basic benefit rate of \$18.30 and have 30 years of credited service, your monthly Part A basic benefit will be \$549.00 (\$18.30 × 30 = \$549.00).

After-Retirement Increases in Part A Basic Benefit

Your monthly Part A basic benefit rate will be increased periodically after your retirement. The dates and amounts of those increases are shown in the following table:

Date and Amount of Increase in Monthly Basic Benefit Rate Per Year of Credited Service							
2-1-80	8-1-80	10-1-80	2-1-81	8-1-81	10-1-81	2-1-82	8-1-82
\$ 0.20	\$ 0.25	\$ 0.25	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.35

Special Benefit

In addition, at age 65, or earlier if you are enrolled for Part B of Medicare under Social Security, you will receive a monthly special benefit as described on pages 17 and 18.

Part B Primary Benefit

Your Part B primary benefit will be based on your contributions in the Program. This monthly benefit will equal 5% of your contributions made before July 1, 1977, plus 6 1/4% of your contributions made between July 1, 1977, and October 1, 1979, plus 8 1/3% of your contributions made thereafter.

For example, if you retire October 1, 1981, and you had contributed \$8,800 before July 1, 1977, \$900 between July 1, 1977, and October 1, 1979, and \$700 through September 30, 1981, your monthly Part B primary benefit would be:

$$\begin{aligned} \$8,800 \times 5\% &= \$440.00 \\ \$900 \times 6\frac{1}{4}\% &= 56.25 \\ \$700 \times 8\frac{1}{3}\% &= 58.31 \\ \text{Monthly Part B} \\ \text{Primary Benefit} &= \$554.56 \end{aligned}$$

No Part B contributions will be permitted under the Program after the first day of the month coinciding with or next following your 65th birthday.

Part B Supplementary Benefit

You also may receive a monthly Part B supplementary benefit. This benefit will equal 1% of the amount by which your average monthly base salary exceeds the applicable amount shown in the following table, multiplied by your years of credited service. Average monthly base salary is calculated over the highest 60 months during the 120 months preceding the earlier of age 65 or date of retirement.

Retirement Date	Applicable Amount
10-1-79 through 1-1-80	\$ 1,650
2-1-80 through 7-1-80	1,670
8-1-80 through 9-1-80	1,895
10-1-80 through 1-1-81	1,790
2-1-81 through 7-1-81	1,760
8-1-81 through 9-1-81	1,790
10-1-81 through 1-1-82	1,830
2-1-82 through 7-1-82	1,860
8-1-82 and after	1,895

For example, if you retire October 1, 1981, at age 65 with an average monthly base salary of \$2,100 and have 30 years of credited service, your monthly Part B supplementary benefit would be \$81.00.

60 Month Average Base Salary	\$ 2,100.00
Less Applicable Amount	1,830.00
	\$ 270.00
Times Part B Supplementary Benefit Rate	1%
	\$ 2.70
Times Years of Credited Service	30
Equals Monthly Part B Supplementary Benefit	\$ 81.00

Summarizing the examples shown for an employee retiring October 1, 1981, at age 65 with 30 years of credited service, the total monthly benefits at retirement would be:

Part A Basic Benefit	\$ 549.00
Part B Primary Benefit	554.56
Part B Supplementary Benefit	.81.00
Special Benefit	9.70
Total Monthly Benefit	\$1194.26

RETIREMENT PRIOR TO AGE 62 WITH UNREDUCED BENEFITS

Your benefits will not be reduced if you have 10 or more years of credited service and you retire prior to age 62 under one of the following types of retirement:

- Mutually Satisfactory Retirement—as early as age 60. Retirement must be agreeable to you and General Motors.
- Special Early Retirement—as early as age 55 and prior to age 60. Retirement must be

initiated by General Motors and must be agreeable to you.

- Corporation Option Retirement—as early as age 55. If retirement is before age 60, it is subject to certain conditions and approval by the applicable Corporation Committee.
- Disability Retirement—at any age. Retirement can commence after you are disabled for at least 6 months.

Part A Basic Benefit

For any of the preceding types of retirement, your monthly Part A basic benefit, as shown on page 13, will be determined as if you had retired at age 62 but based on your credited service at the time you retire.

Part A Temporary Benefit

In addition, you may receive a monthly Part A temporary benefit until you reach age 62, or if earlier, until you become eligible for Social Security disability insurance benefits.

The amount of your monthly temporary benefit will be based on your years of credited service, up to 25, and your retirement date, as follows:

Retirement Date	Monthly Temporary Benefit Per Year of Credited Service	Maximum
10-1-79 through 9-1-80	\$13.00	\$325.00
10-1-80 through 9-1-81	\$14.00	\$350.00
10-1-81 and after	\$15.00	\$375.00

If you retire because of total and permanent disability, the temporary benefit will be paid only if you submit evidence that you are not eligible for Social Security disability insurance benefits.

RETIREMENT PRIOR TO AGE 62 WITH REDUCED BENEFITS

You may retire voluntarily with reduced benefits:

- at any age if you have 30 or more years of credited service; or
- as early as age 55 and prior to age 62 if you have 10 or more years of credited service

reduced based on your age at retirement if you elect to have it commence before you attain age 62. However, if you have 30 or more years of credited service or your years of age and credited service total 85 or more, such reduction will apply only until you attain age 62.

Part A Basic Benefit

Your monthly Part A basic benefit as shown on page 13 will be determined as if you had retired at age 62 but based on your credited service at the time you retire. This benefit then will be

Part A Supplements

You also may receive a monthly Part A early retirement supplement. This supplement is reduced by any monthly Part B supplementary benefit payable to you. This supplement is described on page 16.

Special Benefit

In addition, at age 65, or earlier if you are enrolled for Part B of Medicare under Social Security, you will receive a monthly special benefit as described on pages 17 and 18.

Part B Primary Benefit

If you have contributions in the Program, you also will receive a monthly Part B primary benefit, determined as if you had retired at age 62, but based upon the actual amount of contributions you made. An example of this benefit is shown on page 14.

Part B Supplementary Benefit

Any monthly Part B supplementary benefit will be based on your average monthly base salary over the highest 60 months during the 120 months immediately preceding retirement and credited service at the time you retire. An example of this benefit is shown on page 14.

Part A Supplements

You also may receive a monthly Part A "early retirement" or an "interim" supplement. These supplements are reduced by any monthly Part B supplementary benefit payable to you. Part A supplements are described on pages 16 and 17.

Special Benefit

In addition, at age 65, or earlier if you are enrolled for Part B of Medicare under Social Security, you will receive a monthly special benefit as described on pages 17 and 18.

Part B Benefits

Any monthly Part B primary and supplementary benefits, as described on page 14, will be determined just as for other types of retirement. Monthly Part B benefits will be reduced permanently, however, if you elect to have them commence prior to age 62.

Important Note

If you retire voluntarily as early as age 55 and prior to age 60, and your combined years of age and credited service total less than 65, other GM benefit programs as well as your benefits under the Retirement Program will be affected. For example:

- You will forfeit unearned GM contributions under the Savings-Stock Purchase Program.
- You must pay the full cost of any insurance coverages you may wish to continue; and
- Your retirement benefits will be further reduced.

PART A SUPPLEMENTS FOR RETIREMENT WITH 30 OR MORE YEARS OF SERVICE

An "Early Retirement Supplement"

may be payable to you each month if you retire before age 62 with 30 or more years of credited service. This supplement is an amount which, when added to the sum of all other Part A and any Part B supplementary benefits payable to you prior to reduction for any survivor option, will raise the total of these benefits, payable prior to your attaining age 62, to the amount shown in the following table.

Retirement Date and Total Monthly Benefit Amount for Determining Early Retirement Supplement Prior to Age 62								
10-1-79 through 1-1-80	2-1-80 through 7-1-80	8-1-80 through 9-1-80	10-1-80 through 1-1-81	2-1-81 through 7-1-81	8-1-81 through 9-1-81	10-1-81 through 1-1-82	2-1-82 through 7-1-82	8-1-82 and after
\$ 800	\$ 810	\$ 825	\$ 845	\$ 860	\$ 875	\$ 895	\$ 915	\$ 935

After Retirement Increases in Total Monthly Benefit Amount

Your total monthly benefit amount will be increased periodically after your retirement. The dates and amounts of these increases are shown in the following table.

Retirement Date	Date and Amount of Increase in Total Monthly Benefit Amount							
	2-1-80	8-1-80	10-1-80	2-1-81	8-1-81	10-1-81	2-1-82	8-1-82
10-1-79/9-1-80	\$ 10	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
10-1-80/9-1-81	--	--	--	\$ 15	\$ 15	\$ 15	\$ 15	\$ 20
10-1-81 and after	--	--	--	--	--	--	\$ 20	\$ 20

PART A SUPPLEMENTS FOR RETIREMENT WITH LESS THAN 30 YEARS OF SERVICE

An "Interim" Supplement . . .

may be payable to you each month until you attain age 62 if you retire *voluntarily* before age 62 with less than 30 years of credited service. If you retire as early as age 55 and prior to 60, your age plus credited service must total 85 or more to be eligible for this supplement. The table to the right shows the amount of this supplement, which is based on your age at retirement. The amount of this supplement is reduced by the amount of any monthly Part B supplementary benefit payable to you prior to reduction for any survivor option.

Age at Retirement	Monthly Amount of "Interim" Supplement Per Year of Credited Service		
	10-1-79	10-1-80	10-1-81
55	\$ 4.75	\$ 5.00	\$ 5.25
56	5.75	6.00	6.25
57	7.00	7.25	7.50
58	8.25	8.50	8.75
59	9.00	9.50	10.00
60	10.50	11.00	11.50
61	10.50	11.00	11.50

Note: Amounts are prorated for intermediate ages.

PART A SUPPLEMENTS—LIMITATIONS

- * Supplements are not payable to you if you retire *voluntarily* as early as age 55 and prior to age 60 and the sum of your age and years of credited service is less than 85, or if you are discharged.
- * If your total monthly Part A and Part B supplementary benefits at retirement prior to age 62 would be more than 70% of your final monthly base salary plus cost of living allowance, any supplement will be reduced by the amount over 70%.
- * If you retire voluntarily and become eligible for a Social Security disability insurance benefit, your supplement will be reduced by the

temporary benefit in effect at the time of your Social Security disability insurance benefit award.

- * If, after retirement, you earn more in a calendar year than the following amounts, any supplement payable prior to age 62 will be reduced by \$2 for each \$1 of your excess earnings:

Calendar Year	Annual Earnings Limitation Amount
1980	\$ 4,500
1981	5,000
1982	5,500

WORKERS COMPENSATION OFFSET

Workers compensation benefits paid to retired employees will be deducted from GM retirement benefits otherwise payable, unless such workers

compensation payments are paid under a claim filed not later than two years after the employee lost credited service.

SPECIAL BENEFIT

Each retired employee and surviving spouse who is age 65 or older and receiving a GM monthly Part A retirement benefit or a retirement survivor benefit will receive an additional monthly benefit amount, provided under the Insurance Program, but included in the monthly retirement check, as follows:

10-1-79 through 9-1-80	10-1-80 through 9-1-81	10-1-81 and after
\$ 8.70	\$ 9.20	\$ 9.70

This benefit also is payable upon application to a retiree or surviving spouse receiving GM monthly Part A retirement benefits who is under age 65 and enrolled in Part B of Medicare. It is not payable to former employees receiving

deferred vested retirement benefits or to the surviving spouses of such former employees. Not more than one such special benefit is payable to any individual for any one month.

SURVIVOR BENEFITS

In the event of your death, either before or after you retire, monthly benefits may be provided for the lifetime of your survivor.

Refer to pages 38, 39 and 40 for an explanation of these important benefits, including the

optional pre-retirement surviving spouse benefit available at no cost to you if you contribute under Part B of the Program.

SOCIAL SECURITY BENEFITS . . .

are in addition to your GM retirement benefits. You and General Motors contribute equally to the cost of Social Security benefits. Your share of the cost is deducted from your pay. Social Security old age benefits may begin as early as age 62 in a permanently reduced amount. Benefits are payable in full if they begin at or after age 65.

Social Security disability insurance benefits may begin at any age.

Your spouse's Social Security benefit at age 65 will be equal to one-half of your unreduced

Social Security benefit, unless your spouse is eligible for a higher benefit based on his or her own earnings. Your spouse may receive a permanently reduced benefit as early as age 62, or age 60 if a widow or a widower.

The following table may help you estimate your monthly Social Security benefit. The table is based on the Social Security provisions in effect on January 1, 1980.

If You Retire At Age	ESTIMATED MONTHLY SOCIAL SECURITY OLD AGE BENEFITS FOR RETIREMENT IN 1980					
	And Social Security Commences When You and Your Spouse Are					
	Age 65		Age 62			
If You Retire At Age	Retiree	Spouse	Total	Retiree	Spouse	Total
65	\$ 570	\$ 285	\$ 855	\$ —	\$ —	\$ —
62	503	261	754	402	189	591
60	491	245	736	393	184	577
55	460	230	690	368	172	540

NOTE: Amounts are rounded to nearest dollar. In all instances, you and your spouse are assumed to be the same age. You and your spouse may receive lower benefits from Social Security than those shown above if you earned less than the maximum amount subject to Social Security taxes. These amounts are based on assumptions which were reasonable at the time estimates were made. Because Social Security benefits actually payable reflect individual and national average earnings as well as fluctuations in the consumer price index, you may wish to obtain an estimate based on your personal earnings history from your local Social Security office before retiring.

EXAMPLES—RETIREMENT AT AGE 65

Assume you have participated fully in Part B of the Program and retire June 1, 1980 at age 65 with 30 years of credited service.

YOUR COMBINED MONTHLY GM AND SOCIAL SECURITY BENEFITS ESTIMATED FOR RETIREMENT ON JUNE 1, 1980							
Contributions to age 65	Assumed Average Monthly Base Salary Highest 60 of 120 Months Before Retirement	Monthly Benefit Amounts					
		Part A		Part B		Social Security (Maximum)	
		Primary	Supplementary	Self	Spouse		
\$ 8,400	\$ 1,800	\$ 501	\$ 335	\$ 39	\$ 570	\$ 285	\$ 1,730
9,930	2,100	501	516	129	570	285	2,001
10,860	2,400	501	554	219	570	285	2,129
11,940	2,700	501	590	309	570	285	2,255

NOTE Amounts are rounded to the nearest dollar. Increases in both Part A and Part B benefits which are scheduled to become effective subsequent to June 1, 1980 would be added to the amounts shown in all cases. You and your spouse are assumed to be the same age. You and your spouse may receive lower benefits from Social Security than the estimated amounts shown above if you earned less than the maximum amount subject to Social Security taxes.

MORE INFORMATION ABOUT YOUR RETIREMENT BENEFITS

Additional information about Salaried Retirement Program benefits appears elsewhere in this booklet under applicable headings. For

more information about your retirement, you should contact your personnel department.

OTHER BENEFIT PROGRAM COVERAGES—AFTER RETIREMENT

Savings-Stock Purchase Program

You may receive a lump sum distribution of your account, including full earn-out of GM contributions (except for voluntary retirement as early as age 55 and prior to age 60 when your combined years of age and credited service total less than 85—in which case you will receive earned-out GM contributions).

Deferral of Distribution—if you retire during a year in which you will not reach or exceed age 65, you may defer the receipt of your account until the next year.

Lifetime Annuity Contract—in lieu of receiving your account in a lump sum at retirement or

deferring receipt of your account, you may elect to convert all or part of your eligible assets to an annuity which will provide a monthly income after retirement. The conversion would be made through an insurance carrier selected by General Motors, at favorable group rates.

Individual Retirement Account—Another alternative available at retirement, outside the Savings-Stock Purchase Program, is the conversion or “roll over” of certain assets to an Individual Retirement Account (IRA). Similar to the Annuity Option, an IRA will provide for deferred income. The “roll over” of assets is arranged

between you and a bank or investment company of your choice.

Refer to page 21 for additional information on the Savings-Stock Purchase Program.

Employe Stock Ownership Plan

You will receive two distributions of your account following your retirement. The first distribution will be in February following the year of retirement. It will consist of your entire balance at that time. In February of the second year following the year of termination, the amount allocated to your account for the year in which you retired will be distributed. Refer to page 25 for additional information about the Employe Stock Ownership Plan.

Health Care Coverages

Your basic Health Care coverages (except vision prior to October 1, 1980) will be provided at GM expense for your lifetime (except for voluntary retirement as early as age 55 and prior to age 60 when combined years of age and credited service total less than 85, or for retirement as early as age 60 and prior to 65 without retirement benefits)

If you retire voluntarily as early as age 55 and prior to age 60 when your combined years of age and credited service total less than 85 or retire as early as age 60 and prior to 65 without retirement benefits, you may continue your basic Health Care coverages for your lifetime provided you pay the full monthly cost.

During periods that basic coverages are in effect, you also may continue your comprehensive medical expense insurance coverage by making the monthly contributions applicable to retirees (see page 6) or by paying the full monthly cost if applicable.

Life Insurance

Your basic life, extra accident, and survivor income benefit insurance will be continued at GM expense until age 65 (except for voluntary retirement as early as age 55 and prior to age 60 when your combined years of age and credited service total less than 85). At age 65, extra accident and survivor income benefit insurance ceases.

If you retire voluntarily as early as age 55 and prior to age 60 when your combined years of age and credited service total less than 85, you may continue your basic life, extra accident, and survivor income benefit insurance to age 65, provided you pay 50 cents per month for each \$1,000 of basic life insurance in force.

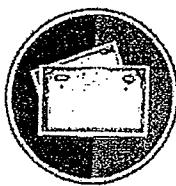
Refer to page 36 for an explanation of continuing life insurance protection after age 65.

If you have at least 5 years of participation at age 60 and cease active work for any reason, you may continue basic life, extra accident, and survivor income benefit insurance to the end of the month in which you attain age 65. If you are eligible for retirement benefits, General Motors will pay the full cost of such insurance. If you are not eligible for retirement benefits, you must contribute 50 cents per month for each \$1,000 of basic life insurance in force.

Optional and dependent group life insurance may be continued to age 70 provided that your basic life insurance remains in force and you pay the required monthly contributions. See page 37 for further explanation of these coverages after age 65.

Personal Accident Insurance

You may continue this insurance on yourself and any eligible dependents for your lifetime, by paying the required premiums. However, after you are age 70, insurance in force on any person insured may not exceed \$50,000.



Saving With General Motors

UNDER THE GM SAVINGS-STOCK PURCHASE PROGRAM

The purpose of the Savings-Stock Purchase Program is to help you accumulate savings and to provide you an opportunity to acquire a stock interest in General Motors.

You Are Eligible . . .

To participate in the Program if you have at least 6 months of continuous employment. You may withdraw from the Program at any time.

How the Program Works

You may save up to 15% of your eligible salary (base salary plus cost of living allowance, if any) each month through payroll deductions or cash contributions. General Motors contributes one dollar for each dollar you save up to 5% of your eligible salary. General Motors will contribute 60 cents for each dollar you save from 5% to 10% of your eligible salary. Your savings above 10% of your eligible salary will not be matched by GM contributions. All funds are turned over to a trustee for investment in securities.

Of the amount you save up to 10% of your eligible salary, one-half must be invested in GM common stock. All of the rest of your savings will be invested in one of five available investment options described later. All of the amount contributed by General Motors is invested in GM common stock.

The chart below illustrates how the Program works.

Dividends and other earnings on all these assets are reinvested under your account as received.

Savings Are Accumulated in "Classes" . . .

which are formed each calendar year. You put your savings into a class only during the year in which it is formed.

At the end of the year, that class is closed to any further savings. On January 1 of the next year, a new class will be formed.

You Make an Investment Election . . .

requesting the trustee to invest one-half of your savings up to 10% of your eligible salary and all of your savings above 10% of your eligible salary in one of the following options.

• Investment Option #1— U.S. Savings Bonds

These bonds have specified redemption values.

For Each \$1 of Eligible Salary You Save	Amount of Your Savings Invested In		GM Contribution Invested In GM Common Stock
	GM Common Stock	Elected Option	
Up to 5%	\$.50	\$.50	\$1.00
From 5% to 10%	\$.50	\$.50	\$.60
From 10% to 15%	—	\$1.00	—

• Investment Option #2—Diversified U.S. Government Securities

This is a portfolio of U.S. Government bonds, notes, and bills, and has a fluctuating value.

• Investment Option #3—100% GM Common Stock

This option allows you to invest your savings entirely in GM common stock.

• Investment Option #4—Income Fund

This is a fund managed by an insurance company which guarantees a specified minimum annual interest yield over a specified period of time.

• Investment Option #5—Equity Index Fund

This is a portfolio of common stocks which is managed by an investment company with the objective of matching the overall investment performance of the stock market.

You may change your investment election once each year. If you do not do so, your previous investment election will continue to apply to each subsequent class until you change it. Once you have made your election for a class, you may not change your election until the next year's class, however.

Class Maturity is Reached
3 Years . . .

After the end of the year of class formation. At that time the GM contributions in each class are completely earned-out or matured.

GM contributions are earned-out at the rate of 8½% for each complete calendar month beginning January 31 of the third year after the year of class formation. They are fully earned-out, or matured, on December 31 of the third year. For

example, the 1980 class will commence to earn-out January 31, 1983 and will fully earn-out December 31, 1983.

GM contributions in unmatured classes are fully earned-out immediately under most types of retirement and for certain other terminations of employment. (See pages 19, 32, 40, and 43.)

You Make a Distribution Election . . .

which determines when you will receive the assets of a class. You may elect either to:

• leave your assets (other than the portion invested in U.S. Savings Bonds, if any) in that class until your retirement or other termination of employment, subject to withdrawal rights as described later.

— or —

• receive all assets in that class early in the year following maturity.

You may change your distribution election prior to the maturity of each class. If you do not do so, your previous distribution election will continue to apply to each subsequent class until you change it.

Any U.S. Savings Bonds to your credit will be distributed to you automatically upon maturity of the class, regardless of your distribution election.

You May Withdraw At Any Time

If You Withdraw From a Class Before It Matures . . .

you will receive the assets representing your savings, any earned-out GM contributions, and any earnings to your credit in the class. You will not receive unearned GM contributions or earnings thereon.

Any withdrawal prior to class maturity must include all your savings in the class or classes withdrawn.

Withdrawals must be made first from all savings in the class being formed and then from all

savings in one or more previous unmatured classes. Withdrawals are made from classes in the reverse sequence in which the classes were formed. For example, from the 1980 class first and then from the 1979 class, the 1978 class, and the 1977 class.

You may withdraw from an unmatured class once during any calendar year and continue to place savings in the current class. However, if you withdraw a second time during a calendar year, you will not be eligible to add savings for the remainder of the current class. In any event, you may not replace the amount withdrawn.

If You Withdraw From a Class After It Matures . . .

you may withdraw all or any part of your savings from the class without penalty.

After you withdraw all of your own savings in matured classes, you may withdraw assets attributable to GM contributions and earnings on all assets, subject to the following:

- A penalty of 6% of the market value of the assets withdrawn would be deducted from future GM contributions to your account. Under tax law a penalty such as this is necessary to permit withdrawals and still maintain favorable tax treatment of benefits under the Program.
- The amount of GM contributions and earnings withdrawn must total at least \$500. If the assets in your matured classes have a value of less than \$500, you will be required to withdraw all such assets.

A Guaranty Protects Your Savings Until the Class Matures

The market value of GM common stock can go down as well as up. You are protected by a guaranty against any substantial downswing in market value of GM common stock until maturity of each class. **No guaranty applies to your savings in excess of 10% of your eligible salary or to your savings in matured classes.**

For Classes Formed Prior to January 1, 1978

If you withdraw from your account or terminate your employment prior to maturity of a class, and if the current market value of all the GM common stock, U.S. Government securities and cash to your credit in that class at that time is less than the amount of your savings plus interest, you will be paid the difference in cash.

If, at maturity of a class, the current market value of all your assets in that class is less than the amount of your savings plus interest, you will be paid the difference in cash.

For Classes Formed On and After January 1, 1978

A uniform guaranty applies to the five investment options available for classes formed on and after January 1, 1978.

The uniform guaranty assures that the portion of your savings which is required to be invested in GM common stock will be returned with interest in an amount equal to that which is payable on U.S. Savings Bonds. Additionally, you will receive the full current value of the rest of your savings invested in the investment option of your choice, including all savings above 10% of your eligible salary, based on the actual performance of that investment option.

Voting Rights

You will be extended the right to vote, through the trustee, all shares (including fractional shares, whether or not those shares are earned-out) in your account in the trust on the record date for voting at each Annual Meeting of Stockholders.

You may exercise your right to vote by completing, signing and forwarding a voting instruction card to the trustee, who will vote by proxy with proper precautions to preserve the complete confidentiality of your vote.

How Assets Are Distributed

You will receive the Program assets to which you are entitled in the following form:

GM Common Stock

All class maturity stock certificates may be registered in your name alone, or in your name with one other individual as a "joint tenant with right of survivorship and not as tenants in common". Shares of stock will be delivered in kind.

In the event of your death, stock certificates will be registered in the name of the beneficiary(ies) you have designated.

In the case of a withdrawal from a class prior to, or subsequent to its maturity, or upon receipt of a settlement at termination of employment, you may elect to receive stock certificates registered in your name alone, or cash value in lieu of the actual shares of stock.

Other Assets

U.S. Savings Bonds will be registered in your name, or you may elect to receive the cash value in lieu of the actual bonds.

Units to your credit in Diversified U.S. Government securities, the Income Fund or Equity

Index Fund always will be settled in cash. The amount of cash will be based on the current value of the units.

Designation of Beneficiaries

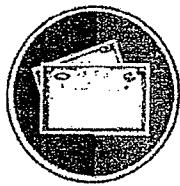
You will be asked to complete a written designation of beneficiary or beneficiaries. This may be changed by you at any time.

Your beneficiary or beneficiaries will receive, in the event of your death, all or part of the assets in your account in accordance with your designation. Assets in your account not affected by your designation, or all of the assets in your account in the absence of such a designation, will be distributed to your estate.

Annual Statement and Tax Information

You will be furnished an annual statement showing the amount of assets to your credit under the Program.

Tax information will be furnished to you from time to time during your participation in the Program -- for example, when you make a distribution election, and for most types of distributions of assets.



Stock Ownership in General Motors

UNDER THE GM EMPLOYEE STOCK OWNERSHIP PLAN

The purpose of the General Motors Employee Stock Ownership Plan for Salaried Employees is to provide eligible salaried employees a stock interest in General Motors.

The Plan is funded by GM contributions equal to the additional investment tax credit provided under the Internal Revenue Code for funding such plans. An eligible employee may contribute voluntarily to the Plan and thereby qualify for additional GM contributions matching the amount of such employee contributions. Contributions to the Plan may continue to be made only so long as, and to the extent that, the additional tax credit is available under the tax law.

You Are Eligible . . .

to participate in the Plan if you are a regular classified salaried employee on the first day of the calendar year following completion of 2 years of service and are or will be at least age 24 during the year in which you complete the second year of service. You will be enrolled automatically in the Plan.

The Plan Provides . . .

that for any year in which General Motors elects to claim the investment tax credit currently available under tax law for funding employee stock ownership plans, General Motors will contribute to GM employee stock ownership plans an amount equal to the tax credit for that year. This contribution will include an amount equal to the total amount contributed voluntarily to the plan by employees, up to the maximum permitted by tax law. All of GM's contribution and all amounts contributed by employees will be invested in GM common stock. Shares of stock, including any fractional shares, will be allocated to the accounts of employees as soon as practicable. All assets allocated to an employee's account are

retained by the trustee until the employee's retirement or other termination of employment.

There are two types of GM contributions to the Plan:

- The GM Automatic Contribution

General Motors automatically will contribute a specified amount to the Plan for a plan year as permitted under tax law. You will receive from this contribution an automatic allocation to your plan account.

- The GM Matching Contribution

In addition to the GM automatic contribution to the Plan, General Motors also will contribute an amount which matches the total voluntary contributions of all eligible employees. You must contribute to the Plan in order to receive from the GM matching contribution an allocation to your plan account. Your contribution is used to purchase GM common stock and will be matched dollar-for-dollar with an allocation of GM common stock purchased with the GM matching contribution.

The Amount of Your Automatic Allocation . . .

for any year is determined, in part, by the amount of the total automatic contribution General Motors is permitted to make to the Plan under the tax law. The amount of your automatic allocation also is determined by the relationship of your GM compensation to the total GM compensation of all eligible employees for that year. Compensation in excess of \$35,000 per year is disregarded for allocation purposes under the Plan.

For example, if your eligible compensation for a year is \$20,000 and the automatic allocation for the year is \$2.00 worth of GM common stock for each \$1,000 of eligible compensation, you would receive \$40 worth of GM common stock for that year.

The Amount of Your Matching Allocation . . .

for any year is determined by the amount, if any, which you actually contribute to the Plan. Your contribution will be matched dollar-for-dollar with an allocation from the GM matching contribution to the Plan.

Your Contributions . . .

to the Plan, if any, are voluntary. As an eligible employee, you will receive an automatic allocation of shares of GM common stock under the Plan whether or not you contribute to the Plan. However, by electing to contribute, you have the opportunity to increase your acquisition of shares for any year in which you do contribute.

The smallest amount you may contribute in any year is called your Minimum Matching Amount. This is your prorated portion of the maximum amount which General Motors is permitted to contribute to the Plan for matching purposes under the tax law.

For example, if your eligible compensation for a year is \$20,000 and the Minimum Matching Amount for the year is \$1.00 worth of GM common stock for each \$1,000 of eligible compensation, you could contribute \$20 to the Plan and receive an additional \$40 worth of GM common stock for that year (your \$20 matched with GM's \$20).

It may be possible for you to contribute more than your Minimum Matching Amount in a year. If you wish to contribute an additional amount, you may declare your desire to contribute 2, 3, 4 or 5 times your Minimum Matching Amount on the form provided to you. However, you will have the opportunity to make such additional contributions only to the extent that some employees decide not to contribute to the Plan.

The Minimum Matching Amounts of any employees who choose not to contribute to the Plan will be allocated among those eligible employees who wish to contribute additional amounts. In this allocation, all employee contributions of 2 times the Minimum Matching Amount will be accommodated before any contributions of 3 times such amount, and so on in this manner, until the total amount of the available GM matching contribution has been allocated among all employees who elect to contribute additional amounts.

Therefore, the actual amount which you are permitted to contribute to the Plan may be less than the amount you elect to contribute.

As soon as practicable after you submit your completed contribution election form, you will receive a statement from General Motors indicating the amount you will be permitted to contribute for the plan year. Your contribution then would be made by means of payroll deductions.

To illustrate . . .

how the Plan works, the chart which follows shows some typical annual automatic and matching allocations at various levels of annual earnings. For purposes of these examples, an employee contribution of the Minimum Matching Amount is assumed.

Your GM Earnings	Your Assets Under the GM Automatic Contribution		Your Assets Under the GM Matching Contribution*		Your Annual Total Assets If You Contribute
	Automatic Allocation at \$2 per \$1,000	Your Contribution at a Minimum Matching Amount of \$1 per \$1,000	Matching Allocation		
\$ 15,000	30	15	15	\$ 60	
20,000	40	20	20	80	
25,000	50	25	25	100	
30,000	60	30	30	120	
35,000	70	35	35	140	

*If you should elect not to contribute, this column would not apply to you. Keep in mind that contributions of up to 5 times your Minimum Matching Amount may be possible if sufficient GM matching contribution amounts are available.

Dividends

Dividends paid on GM common stock held for you by the trustee will be invested in GM common stock and allocated to your account. Additional shares acquired through dividends will be allocated to your account as soon as practicable.

Nonforfeitality

All shares (including fractional shares) of GM common stock allocated to your account will be nonforfeitable.

Withdrawals

Withdrawals from the Plan are not permitted.

Distribution

Distribution of your account is made after retirement or other termination of employment.

Generally, you will receive two distributions following your retirement or other termination of employment. The first distribution will be in February following the year of termination and will consist of your entire account balance at that time. In February of the second year following the year of termination, the amount allocated to your account for the year in which your employment terminates will be distributed to you.

Distribution will be made to you in shares of GM common stock. Any fractional share in your account will be paid to you in cash. In the event of

your death, the distribution will be made to the beneficiary designated by you or, if you have not designated a beneficiary, to your estate.

Voting Rights

You will be extended the right to vote, through the trustee, all shares (including fractional shares) allocated to your account in the trust on the record date for voting at each Annual Meeting of Stockholders.

You may exercise your right to vote by completing, signing and forwarding a voting instruction card to the trustee, who will vote by proxy with proper precautions to preserve the complete confidentiality of your vote.

Designation of Beneficiaries

You will be asked to complete a written designation of beneficiary or beneficiaries. This may be changed by you at any time.

Your beneficiary or beneficiaries will receive, in the event of your death, all or part of the assets in your account in accordance with your designation. Assets in your account not affected by your designation, or all of the assets in your account in the absence of such a designation, will be distributed to your estate.

Annual Statement

Each year you will be furnished a statement showing the assets credited to your account.